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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- 11. President Ahmadinejad at Columbia University
- ¶2. Mideast
- ¶3. Libya

Key stories in the media:

Leading electronic media quoted President Bush as saying on Monday at a meeting with Palestinian Authority President Mahmoud Abbas in New York City on Monday. "I strongly support the creation of a Palestinian state. I believe it's in the interests of the Palestinian people, I believe it's in the interests of Israel to have a democracy living side-by -- democracies living side-by-side in peace." The Jerusalem Post quoted a senior official in PM Olmert's bureau as saying on Monday that Israel will "be happy to attend the US-sponsored meeting later this year in Washington even if Syria is invited. The official was responding to statements made on Sunday by Secretary of State Condoleezza Rice indicating that Syria, which both Israeli and US officials have in recent weeks hinted would not be welcomed at the conference, would indeed be invited.

All media highlighted the speech delivered by Iranian President Mahmoud Ahmadinejad at Columbia University on Monday, where he evaded the question of whether he would seek the destruction of Israel. Instead, he said that to solve the "60-year problem, we must allow the Palestinian people to decide its future itself." He was quoted as saying: "Why is it that the Palestinian people are paying the price for an event they had nothing to do with?" He was quoted as saying that "nothing is absolute" about the Holocaust. He also said that Iran is the country that cooperates most with the International Atomic Energy Agency. The Jerusalem Post quoted officials in the Foreign Ministry as saying that FM Tzipi Livni undermined her own message that Iran is a threat to the entire world, and not just to Israel, by breaking diplomatic decorum and attending a protest rally against Ahmadinejad on Monday.

Leading media reported that 10,000 demonstrators rallied in New York against Ahmadinejad. Maariv bannered: "In America's Face."

All media reported that on Monday Attorney General Menachem Mazuz ordered police to launch a criminal investigation against PM Ehud Olmert on suspicion of bribery. Olmert allegedly received favorable terms for the purchase of his home on Jerusalem's Cremieux Street in return for helping the contractor who sold it to him. However, Ha'aretz reported that senior police officials doubt their ability to carry out an investigation. They cited the amount of relevant information that has already been published in official documents and the media as the cause of their pessimism and frustration. Additionally, all media reported that Mazuz decided to launch a criminal probe against former finance minister Abraham Hirchson on charges of fraud and theft.

National Infrastructure Minister Binyamin Ben-Eliezer was quoted as saying in an interview with Ha'aretz that imprisoned Fatah leader Marwan Barghouti will become the Palestinians' next leader. Ben-Eliezer was quoted as saying: "We have to find a suitable opportunity to release Barghouti, and we have to link it to the release of Gilad Shalit."

Major media quoted PM Olmert as saying in remarks to the Knesset's Foreign Affairs and Defense Committee on Monday that neither Syria nor Israel are interested in a military confrontation. He also told the committee that the recent violence in Lebanon, in which an anti-Syrian member of parliament was assassinated, is very troubling. With regard to the international conference scheduled to take place in Washington in November, Olmert insisted that it is not a peace conference, but rather a gathering meant to offer international support to the diplomatic process between Israel and the PA. He expressed hope that at the end of the meeting, he will be able to present a joint declaration with PA Chairman Mahmoud Abbas on the fundamental issues. "I intend to meet Abu Mazen [Abbas] once more next week, and immediately after that, the two sides will begin work in an effort to formulate a joint declaration. At this time, there is no draft, but if there is something that requires the government's approval, that will happen," Olmert promised. He acknowledged that he does not take concerns about the Palestinian government's ability to implement its diplomatic commitments lightly. "There is a Palestinian leadership that wants to move forward with us on a diplomatic level. Abu Mazen and [Prime Minister] Salam Fayyad want to make peace and support a two-state solution ... They are the ones [to deal with], and if they are not, then no one will be." Olmert was further quoted as saying that he would be willing to withdraw from a vast amount of territory in the West Bank in return for a genuine peace agreement. The Jerusalem

Post cited denial by Olmert's bureau that Olmert said that a final-status agreement could take 20 to 30 years.

Quartet Middle East envoy Tony Blair told Channel 2-TV on Monday that the upcoming Mideast meeting in the U.S. should serve as a stepping stone toward a peace accord between Israelis and Palestinians. Makor Rishon-Hatzofe reported that Chairman Abbas told Secretary Rice that PM Olmert has agreed that Jerusalem will be the capital of the Palestinians state.

Yediot reported that a senior Syrian official told Reuters that Syria has decided to exercise restraint and not to attack Israel following its alleged operation on its soil. Israel Radio quoted Syrian Information Minister Mohsen Bilal as saying in an interview with the London-based Al-Hayat that there are not preparations for war in his country but that the Syrian response to the operation would come when the time is right. Leading media reported that senior Syrian officials told Reuters that the Israeli operation has eliminated the chance for peace and that Israel has a military edge over Syria.

Yediot reported that five-day maneuvers of the Egyptian Army ended on Monday. The newspaper reported that Egyptian ground and air forces conducted an exercise simulating the crossing of the Suez Canal, as during the Yom Kippur War. Yediot quoted Israeli defense sources as saying that Israel should monitor such exercises.

All media reported that Labor Knesset Member Ami Ayalon was sworn in as minister-without-portfolio. He had to contend with harsh accusations from colleagues across the political board for entering the cabinet despite previous pledges to the contrary.

Maariv reported that the association "Bayit Ehad" (One House), which promotes an evacuation (with compensation) of West Bank settlements found out that around 2,000 settlers are interested. Meretz MK Avshalom Vilan and Labor MK Colette Vital are among the founders of Bayit Ehad.

Yediot cited the hope of Raed Nasra, an Israeli-Arab friend of Daniel Sharon, the dual Israeli-German citizen who was arrested in Lebanon several days ago, that former MK Azmi Bishara -- who fled Israel amidst allegations that he provided intelligence to Hizbullah -- will help release him. Yediot quoted Beirut sources as saying that senior intelligence officers in several Arab states intend to severely punish Israelis with dual citizenship who enter Arab countries.

Ha'aretz reported that on Monday the High Court of Justice gave the Jewish National Fund (JNF) and Israel Lands Administration three months to reach a comprehensive agreement to resolve discriminatory policy in allocating land to Arabs.

Yediot quoted a senior Israeli defense official as saying on Monday that Israel plans to establish a military academy.

Ha'aretz reported that on Monday the Bank of Israel elected to leave interest rates unchanged.

11. President Ahmadinejad at Columbia University:

Summary:

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz: "The average American is not familiar with the regional complexities. He is tired of the region's fighting. To him, Ahmadinejad's idea may sound tempting."

Eytan Gilboa, Professor of Political Science at Bar-Ilan University and an expert on US politics, wrote in the mass-circulation, pluralist Yediot Aharonot: "Ahmadinejad wanted to capitalize on his visit to the UN General Assembly for an offensive on American public opinion."

Columnist and Law Professor Amnon Rubinstein, who currently teaches at Columbia University, wrote in the popular, pluralist Maariv:

"Experience proves that dictators do not know how to interpret the signals that they hear in the democratic world that is alien to them."

Editor-in-Chief David Horovitz wrote on page one of the conservative, independent Jerusalem Post: "Much of [Ahmadinejad's] audience was not only deluded and swayed by the big lies, but was evidently unperturbed by some of the despicable truths he vouchsafed as well."

Block Quotes:

¶I. "Israel Is the Big Loser"

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz (9/25): "The Iranian President's visit to Columbia University in New York on Monday resulted in one clear loser: Israel. In his speech, Ahmadinejad took aim at Israel. If he managed to convince one person of his views on Israel and Zionism, then he has already gained. If he managed to persuade 50, then he has gained even more. For months, Israel worked fervently to prevent what happened on the podium on Monday. For the duration of his speech, Ahmadinejad produced a televised illusion: It is not Iran versus the world, but Iran versus Israel. If he manages to convince enough people of this, the mirage could become reality and Israel would be isolated, and that is exactly what Ahmadinejad is trying to accomplish... The pro-Israel camp consoled itself with the knowledge that those who are familiar with the regional complexities, and with Tehran's antics, will surely realize the absurdity of Ahmadinejad's proposal. But the average American is not familiar with the regional complexities. He is tired of the region's fighting. To him, Ahmadinejad's idea may sound tempting."

II. "Congruence of Interests"

Eytan Gilboa, Professor of Political Science at Bar-Ilan University and an expert on US politics, wrote in the mass-circulation, pluralist Yediot Aharonot (9/25): "Like any terrorist leader and like his partner Hassan Nasrallah, Ahmadinejad combines violence with propaganda very well. Ahmadinejad wanted to capitalize on his visit to the UN General Assembly for an offensive on American public opinion... Columbia's interest in the publicized event and AhmadinejadQs interest in gaining legitimacy coincided. Freedom of speech has nothing to do with this disgraceful event, and it is very unlikely that the innocent students of international relations at Columbia will learn anything from it about morality and power in our world today. We can hope that the heavy donors to Columbia, most of whom are Jews, will react in a way that will cause the publicity-hungry Bollinger to regret inviting the most fascist leader that exists in the world today."

III. "The Columbia Disaster"

Columnist and Law Professor Amnon Rubinstein, who currently teaches at Columbia University, wrote in the popular, pluralist Maariv (9/25): "Freedom of speech -- an important and lofty principle of all democratic regimes -- is usually debated in cases of censorship or of oppression: a person, or a newspaper, writes something, and someone else tries to shut them up.... Censorship and suppression Censorship and suppression were greatly reduced by supreme courts in both [the United States and Israel]. Everyone has freedom of speech, including serial murderers. The question that comes up in this case, has nothing to do with censorship or suppression, but of giving a university seal of approval to opinions that have already been expressed and been given world wide attention. The serial murderer has freedom of speech, but he does not have the right to be a guest at Columbia University. This is a matter for judgment, not for freedom of speech, and the judgment of the university administration was completely flawed. Why? Because experience proves that dictators do not know how to interpret the signals that they hear in the democratic world that is alien to them."

IV. "Big Lies and Pernicious Truths"

Editor-in-Chief David Horovitz wrote on page one of the conservative, independent Jerusalem Post (9/25): "The President of Iran, a nation disseminating a perverted Islamist ideology that

obligates the indiscriminate killing of non-believers, a country directly encouraging the deaths of American soldiers right now in Iraq, came to a prominent institute of American learning. Canny, well-prepared, and sharp, he emerged, there should be no doubt, with greater legitimacy than when he went in, and thus strengthened his standing back home and his capacity to engineer more harm. But perhaps saddest and most worrying of all much of his audience was not only deluded and swayed by the big lies, but was evidently unperturbed by some of the despicable truths he vouchsafed as well."

12. Mideast:

Summary:

The independent, left-leaning Ha'aretz editorialized: "There are still two months before the conference in Washington, and it is important that this time is used to further the process in which the conference is central, and to prepare for the next stages in the negotiations for the solution of the conflict and the establishment of a Palestinian state."

Block Quotes:

"Don't Be Petty or Stingy"

The independent, left-leaning Ha'aretz editorialized (9/25): "'As is always the case with the Middle East, one should recognize that the road ahead is one that is very difficult, [Secretary of State Condoleezza] Rice said on Sunday at the completion of the meeting of the Quartet. While recognizing that this is indeed the case, and assuming that Israel has a clear interest in the peace conference taking place and succeeding, it is important that the government make every attempt to bolster this diplomatic effort and avoid actions that may undermine it.... Israel must show openness and flexibility in the negotiations on the formulation of the declaration of principles that will be presented at the conference.... The professional atmosphere that has characterized the Abbas-Olmert talks to date must also guide their aides.... It is hard to see how tiny steps [by the government of Israel] will advance the declared aim -- bolstering Abbas's standing among the Palestinian public -- if these are not felt by the people in the West Bank. There are still two months before the conference in Washington, and it is important that this time is used to further the process in which the conference is central, and to prepare for the next stages in the negotiations for the solution of the conflict and the establishment of a Palestinian state.

¶3. Libya:

Summary:

Intelligence affairs correspondent Gad Shimron wrote in the popular, pluralist Maariv: "Despite his efforts and mostly his statements, the Libyan ruler is unable to overcome the old and well-known Qadhafi."

Block Quotes:

"The Return of the Qadhafi"

Intelligence affairs correspondent Gad Shimron wrote in the popular, pluralist Maariv (9/25): "For some years Muammar Qadhafi, Libya's perennial leader, has been presenting himself as someone who wishes to be reintegrated in the family of nations... But, since the 1970s, Qadhafi has claimed sovereignty over the northern part of

Niger, saying this is Libyan territory. The Agadez province is Niger's main source of income -- gold, oil in small quantities with a good chance of finding new fields, and mostly rich uranium mines producing 3,500 tons annually.... Yes, it is the same uranium that was involved in the American invasion of Iraq in 2003.... Why has Qadhafi now decided to take over the Agadez?.... Despite his efforts and mostly his statements, the Libyan ruler is unable to overcome the old and well-known Qadhafi."

JONES